

Dissenting report – Labor members of the committee

- 1.1 This inquiry was established to investigate the factors contributing to the growth and sustainability of the Australian film and television industry.
- 1.2 Labor members are committed to supporting Australian stories being created and told by Australian performers and crew in Australian film and television productions. Labor is the party of the arts and is the only party with developed, integrated and comprehensive policies that set up a vision for the sector and whose policies have been implemented an appropriately funded.
- 1.3 This requires a long-term commitment to a well-supported and funded Australian film and television industry. Government support for the Australian film and television industry, including through Australian local content requirements on free to air and pay television as well as diverse new technologies and direct funding, encourages increased private investment, trains further talent and assists market development as well as creating stories that Australians love to watch.
- 1.4 Labor members recognise the importance of Australian stories told through our world class screen practitioners, and to our funded organisations including the work of the public broadcasters and the key role played by all broadcasters, commercial and public in making Australian content available to all Australians and welcome efforts to support the industry.
- 1.5 Labor members are pleased that this inquiry recognised the challenges currently confronting the Australian film and television sector, including slow growth for the independent production sector and the impact of fragmenting audiences and technology change.
- 1.6 Labor members note that during the period of this inquiry, the Government provided licence fee relief for commercial free to air broadcasters, but have not provided assistance to the broader screen production sector.
- 1.7 It is clear that there is a need for further policy consultation, development and action on the part of the Federal Government in the near term to ensure the continuing growth and sustainability of the Australian film and television industry.
- 1.8 We recognise that this Committee's work has occurred in parallel to the government's Australian and Children's Screen Content review which is likely to make recommendations on many similar issues.

- 1.9 It is in this context that we provide additional comments on a number of recommendations made by this inquiry.

Recommendation 1 – Producer Offsets

- 2.1 Recommendation 1 of the Majority report calls for:

‘the Australian Government to make the following changes to the producer offset: introduce a single offset level of 30 per cent for all types of qualifying production which includes film and television, and removes the 65 hour cap on television series accessing the offset’.

- 2.2 This would have the effect of increasing the producer offset for qualifying Australian production expenditure on television production from 20% to 30%, but reducing the offset from 40% to 30% for feature film production.
- 2.3 Labor recognises the range of submissions calling for the modernisation of the producer offset, but is concerned that any reduction in the level of the producer offset for Australian feature films could have an adverse effect on this important for of Australian storytelling, jeopardising cultural outcomes and adversely affecting jobs in the sector.
- 2.4 As such, we cannot support this reduction in the producer offset recommended by the majority report.
- 2.5 Labor members support the recommendation to remove the 65 hour cap on television series accessing the offset.

Recommendation 5 – Children’s Television Quotas

- 3.1 Recommendation 5 of the majority report advocates a review of the hours based quota for first-release children’s screen content. It further argues that any reduction in this quota obligation would need to be replaced with a system for ensuring the continued production of new, high quality Australian content for Children.
- 3.2 Labor members recognise the substantial evidence heard by the Committee that dramatic changes in children’s television consumption patterns means that the current hours based quota is not serving the interests of children, screen producers or broadcasters in the way that it once did.

- 3.3 However, we also recognise the universal support for the government ensuring that high quality, first release children’s screen content is both produced and accessible to all Australian children.
- 3.4 Given this, we emphasise the need to proceed with caution with any moves to modernise Australian children’s television regulations.
- 3.5 In particular, in the UK, a reduction in regulatory obligations for children’s screen content led to a dramatic drop in this material and should serve as a cautionary tale for Australian policy makers.

Recommendation 7 – ABC Quotas

- 4.1 Recommendation 7 calls for the Charter of the ABC to be amended to require a minimum, hours based quota for first release children’s screen content.
- 4.2 Labor members recognise the extraordinary success of the ABC as a provider of high quality Australian children’s television content.
- 4.3 However, amendments to the charter of the ABC would need to reflect the effect of such an intervention on other programming produced by the organisation within its budget.
- 4.4 Such a charter amendment could only be considered after detailed discussions with the ABC and with a clear understanding of the cost implications and the broader impact of such an intervention.
- 4.5 As such, Labor members cannot support this recommendation.

Recommendation 8 – SBS Quotas

- 5.1 Recommendation 8 calls for that the SBS charter be amended to require additional multicultural programming to be sourced domestically so that a minimum of 50 per cent Australian content is shown across all of its channels. This must also include a commitment to more content from regional areas.
- 5.2 Additional programming requirements and charter amendments for SBS would have significant cost implications for the organisation and cannot be pursued in isolation of the question of government funding for the organisation.

5.3 As such, Labor members cannot support this recommendation.

Recommendation 9

- 6.1 Recommendation 9 calls for '10 per cent of Screen Australia's funding to be earmarked for productions outside of Australia's two major capitals.
- 6.2 Labor members support the majority report's desire to see more opportunities created for emerging talent outside of Australia's two major capitals capital cities.
- 6.3 However, we are concerned about the impact of quarantining a significant proportion of Screen Australia's funding on its ability to deliver on its mandate across the entire sector nationally. This concern is particularly acute in the wake of recent dramatic funding cuts for Screen Australia under the current government.
- 6.4 As an alternative, Labor Members would support requirement that Screen Australia develops a strategy for supporting regional production and to report on the proportion of its funding allocated outside the major capital cities.

Recommendation 12

- 7.1 Labor Members reject the recommendation that *'the Australian Government to amend the Foreign Actor Certification Scheme to remove the obligation for union consultation.'*
- 7.2 Labor rejects this recommendation to remove the obligation for union consultation.
- 7.3 The Chair's Report provides no clear reason for recommending that the Foreign Actor Classification Scheme be changed to remove the obligation for union consultation. We believe the current process operates efficiently and provides necessary safeguards.
- 7.4 The Chair rightly acknowledges that there should be concern about any *"government process that would act as a disincentive"* to private investment in the film and television industry. However, no evidence was presented to the Inquiry to demonstrate a systemic issue with the union role in the visa process.

- 1.2.1 The Media Entertainment and Arts Alliance (MEAA) has objected to two visa applications in the past four years. The evidence presented by the MEAA's Equity members during hearings demonstrated that they are cognisant of the merits of casting overseas talent in Australian-based productions.
- 1.2.2 Data for the past three years demonstrates the number of visas considered:
- I. In 2016-2017 MEAA endorsed **18** foreign actors for government-subsidised feature films, **14** for non-government subsidised feature films and **14** foreign actors for government-subsidised TV mini-series. In one instance, a letter of objection was issued for a government-subsidised TV mini-series.
 - II. In 2015-2016 MEAA endorsed **10** actors for government-subsidised feature films, **7** for non-government feature films, and **3** actors for government-subsidised TV mini-series. No applications were objected to.
 - III. In 2014-2015 MEAA endorsed **11** foreign actors for government-subsidised feature films, **3** for non-government feature films, and **2** actors for government-subsidised TV mini-series. No applications were objected to.

7.5 We further regard the MEAA's involvement in the visa application process as a necessary safeguard to ensure that government-funded projects promote Australian creative industries and give Australian actors the platform to grow and develop. Furthermore, we assert that the role of the MEAA in the visa application process safeguards against entertainment market abuses.

7.6 The Chair noted that, because the MEAA largely approves the applications it reviews, that its involvement constitutes "red tape". We reject this conclusion. Though the MEAA largely approves its applications it receives, this does not mean that the MEAA's involvement is arbitrary. As outlined above, the MEAA's involvement provides an essential check and balance on the use of foreign actors in subsidised film and television productions.

7.6.1 The MEAA is required to provide its consultation advice within 14 days for performers. There has been no evidence that the 14 days is an impediment to film financing and thus we reject the argument that union involvement constitutes red tape.

7.7 We also consider the MEAA's role in the visa application process as one protecting not only protecting the rights of Australian actors and performers, but also those foreign actors undergo the application process. The MEAA advises film productions of their legal obligations under Australian law, and requires evidence that foreign actors will not be exploited, including through evidence that applicants will receive return international airfares and will be covered by medical, health and workers' compensation insurances.

7.8 It is furthermore our strong belief that ordinary Australians, and Australian creatives, actors and performers see it as vitally important that any production subsidised by the government should use Australian cast members as much as possible. The MEAA's involvement in the visa application process allows for this analysis by the affected parties.

7.9 We do not believe that there has been any substantive reasoning or evidence provided by the Majority Report for removing the MEAA's involvement in the visa application process.

7.10 Therefore, Labor Members cannot support this recommendation.

Signed

Deputy Chair, Tim Watts MP

Susan Templeman MP

Emma McBride MP